

In 1998, Tim Penny, a Democrat from that side of the aisle, was very aggressive as he studied Social Security, and he said at that time, "We face a crisis in the Social Security system, and we can no longer wait to put it on sound footing. We need to move from the unreliable 'pay-as-you-go' system to one based on benefiting from real investment."

And in 1998 and 1999, I chaired the bipartisan Task Force on Social Security, and here is what all the Democrats and all the Republicans on that task force agreed when we completed. And we agreed, "Time is the enemy of Social Security reform, and we should move without delay," and, again, that was all the Democrats and all the Republicans that agreed to that fact.

And yet nothing happens.

This chart represents that Social Security is not a good investment. The columns represent how long one is going to have to live after they retire to break even on what they and their employer put into Social Security. Of course, in the early years, it was a good deal and they were getting started and were not working very long; so they got back everything they put in very quickly. But by 1995, they had to live 16 years after retirement. By 2005, they have to live 23 years after retirement to break even, and now it is up to 26 years.

The average return on Social Security is 2.7 percent. So can we do better than that? The answer is yes. We can guarantee that we can do better than 2.7 percent on a lot of investments. The Social Security Benefits Guarantee Act, when F.D.R. created the Social Security program over 6 decades ago, he wanted it to feature a private sector component to build retirement income, and Social Security was supposed to be one leg of a three-legged stool to support retirees. It was supposed to go hand in hand with personal savings and private pension plans.

I mentioned the Senate passed Social Security legislation that said there should be private accounts owned by the individual and so if that individual died before 65, it goes to their heirs. The House said government should do it all. When they went to conference, the House went out, and we ended up with the pay-as-you-go program that we have today that is going insolvent.

The diminishing return on the Social Security investment, the average return is less than 2 percent. It is about 1.7 percent. If they happen to be a minority because of the fact if we take the average young black worker, they die before the age of 65, before they gain all the benefits of the retirement program. So actually they do not break even; they have a negative return on what they pay into Social Security.

The average is 2.7 percent, but the Wilshire 5000, and that is from 1993 until 2003, even during these bad years of the stock market, these poor performing years of 2001, 2002, and 2003, even with those years included, the av-

erage return over and above inflation has been 7 percent.

So are we smart enough to come up with some way to have private accounts and limit what those private accounts can be invested in? And probably they are going to be managed by government. That is what I am suggesting. There are going to be limits on what that individual can invest in, but something like what Members of Congress and Federal employees are allowed to do now in the Thrift Savings Account, they would have some choices of how that money is invested.

Of course, the older one gets, the more reasonable it is to put more money in bonds and less money in equities. But just consider that for the last 100 years, any 14-year-period we have not averaged less than that 7 percent growth in equities. So if the economy and government and an indexed stock fund is not going to increase, then this country is not going to be economically well off anyway to pay Social Security benefits.

But the fact is that it is going to be, and when I suggest that there should be a program that is going to help the economy, requiring this additional savings and investment, that is what makes our economy tick. Our savings rate is one of the lowest in the world, but if we can encourage greater savings and investment, then we have a greater assurance that our economy is going to stay strong.

I am going to finish up with a fact that the United States, compared to other countries, has not done very well in moving into a system of having individually owned accounts. The U.S. trails many other countries. In the 18 years since Chile offered the PRAs, the Personal Retirement Accounts, 95 percent of Chilean workers have created accounts. Their average rate of return has been 11.3 percent per year. Among others, Australia, Britain, and Switzerland offer worker PRAs.

Let me conclude, Mr. Speaker, by reminding our Members that the Supreme Court on two occasions now have said that there is no entitlement for Social Security benefits, that government simply has put in a tax on people on the one hand, and on the other hand they are providing benefits that is called Social Security. But twice now the Supreme Court has said there is no entitlement.

□ 2130

Just because you paid into Social Security does not entitle you to take Social Security benefits. I mention that because the threat is, with Congress in a desperate situation, they are going to tend to reduce benefits. You can reduce benefits by reducing the COLA increase per year, you can reduce benefits by saying that you are going to have to retire at an older age, and you can reduce benefits by increasing taxes on individuals.

So I just plead with my colleagues, I plead with the American people, to be

vigilant this coming election, and ask your candidates that are running for President or for United States Senator or for this U.S. House of Representatives, have you written or signed onto legislation that is going to keep Social Security solvent?

INDEPENDENT PROSECUTOR NECESSARY TO INVESTIGATE LEAK REGARDING CIA

The SPEAKER pro tempore (Mr. MURPHY). Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, there are two matters that I bring to the attention of the Members of the House. One is whether or not the outing of a CIA operative calls for a special counsel. I would like to enlighten Members that the need to investigate the leaked name of a Central Intelligence Agency operative is one that requires a special counsel.

There are three factors required. The Justice Department has promulgated these regulations under several circumstances. The Attorney General is required to appoint a special counsel when a criminal investigation of a person or matter is warranted; or, two the investigation would present a conflict of interest for the Department; or, three, that it would be in the public interest to appoint an outside special counsel to assume the responsibility.

All three factors appear to be present here. The Justice Department answers the first question for us. It has opened a criminal investigation into charges of disclosing the name of a covert agent.

Second, that the investigation would present a conflict of interest for the Department would then be another basis for a special counsel. Here there is a clear conflict of interest. The Department of Justice investigation focused largely on the White House, which has already been directed to preserve all relevant records. The trail may lead to the Chief of Staff, Karl Rove, who is reported to be responsible for John Ashcroft's very appointment and was a consultant in several of his political campaigns.

Either way, it is inconceivable that such an investigation of the office that heads our entire government could not present a conflict of interest for a subordinate agency. That requires the appointment of a special counsel.

The third reason, of course, for a special counsel is that it is in the public interest.

So I am delighted to bring this important matter once more to the attention of the Members of Congress, because on October 5, 2003, Time magazine reveals that Attorney General Ashcroft paid Mr. Karl Rove \$746,000 for his work on three campaigns. I refer you to Duffy, "Leaking With a Vengeance," Time Magazine, October 5, 2003.

Mr. Speaker, this evening I want to report that I have sent the following

letter to the Senior White House Adviser, Mr. Karl Rove, seeking his resignation.

"I write to ask you to resign from the White House staff. Recent reports have indicated that, while you may or may not have been the source of the Robert Novak column which revealed the status and the name of a covert operative, the wife of Ambassador Joseph Wilson, you were involved in a subsequent effort to push this classified information to other reporters and give it even wider currency. This itself may be a Federal crime, but regardless of that fact, your actions are morally indefensible. In my view, it is shameful and unethical that an administration that promised to govern with 'honor and integrity' and 'change the tone' in Washington has now a representative of your rank engaged in an orchestrated campaign to smear and intimidate truth-telling critics, placing them in possible physical harm and impairing the efforts and operations of the Central Intelligence Agency.

"Recent reports indicate that you told the journalist, Chris Matthews, and perhaps others, that Mr. WILSON's wife and her undercover status were 'fair game.'"

The SPEAKER pro tempore. The time of the gentleman from Michigan (Mr. CONYERS) has expired.

IRAQ WATCH, CONTINUED

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Pennsylvania (Mr. HOEFFEL) is recognized for 60 minutes as the designee of the minority leader.

Mr. HOEFFEL. Mr. Speaker, I am proud to be back on the House floor for another hour of what we are calling the Iraq Watch. This is a weekly effort that I have been engaged in with three colleagues for about 2½ months to raise questions each week about our policies in Iraq.

Before I get into the meat of this week's discussion, I am happy to yield such time as he may consume to the gentleman from Michigan (Mr. CONYERS), who is discussing an Iraq-related matter. I am anxious to hear the remainder of his remarks.

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. HOEFFEL) for his consideration, and I commend him on the special order that brings him to the floor of the House of Representatives at this hour.

Mr. Speaker, I will finish the letter that I sent to Karl Rove calling for his resignation.

"Recent reports indicate that you told the journalist, Chris Matthews, and perhaps others, that Mr. Wilson's wife and her undercover status were 'fair game.' Evan Thomas and Michael Isikoff, Newsweek Magazine, October 13, 2003. Since these initial allegations

have arisen, neither the White House nor your office have denied your involvement in furthering the leak. Repeated press inquiries into this matter have been rebuffed with technical jargon and narrow legalisms, instead of referring to the broader ethical issues. Indeed, in the same article, it appears a White House source acknowledged that you contacted Mr. Matthews and other journalists, indicating that 'it was reasonable to discuss who sent Mr. Wilson to the African country of Niger.'

"It should be noted that these actions may well have violated 18 U.S.C. section 793, which prohibits the willful or grossly negligent distribution of national defense information that could possibly be used against the United States. The law states that even if you lawfully knew of Mr. Wilson's wife's status, you were obliged to come forward and report the press leak to the proper authorities, not inflame the situation by encouraging further dissemination."

Another section of the law, 18 U.S.C. section 793(f) is used for the basis of that remark.

"Larger than whether any one statute can be read to find criminal responsibility is the issue of whether officials of your stature will be allowed to use their influence to intimidate whistleblowers.

"Over three decades ago, our great Nation was scarred by an administration that would stop at nothing to smear and intimidate its critics. I do not believe the Nation will countenance a repeat of such activities. For your role in this campaign, I would ask that you resign immediately."

Mr. Speaker, I thank the gentleman from Pennsylvania for his cooperation.

Mr. HOEFFEL. Mr. Speaker, I thank the gentleman from Michigan for his statement and for reading the letter to Mr. Rove. I congratulate the gentleman on his well-reasoned and well-researched document.

I would like to advise the gentleman of my deep concern about this leak that has been so unfair to the wife of Joseph Wilson and to tell the gentleman that Mrs. Plame, Valerie Plame, the wife of Mr. Wilson, that her parents are my constituents in suburban Philadelphia. They were recently interviewed by a local newspaper, and her father, Mr. Plame, expressed his great indignation and outrage that his daughter's cover was blown by this leak. He is demanding that the people accountable be held responsible and that appropriate penalties be levied upon them. He was quite eloquent in his anger and frustration that his daughter's career as an undercover operative for the CIA has been compromised.

I want to thank the gentleman from Michigan for bringing this matter to the floor. I must say your approach, which is asking for Karl Rove's resignation, is one that I would be delighted to see happen. It probably has

about as much chance of succeeding as Rush Limbaugh getting a Diversity Award from the NAACP, but it would be something remarkable if someone in this White House would take responsibility for what is not just an illegal act of blowing the cover of a covert agent, but a morally reprehensible act.

I thank the gentleman, and I yield to the gentleman for further comments.

Mr. CONYERS. I thank the gentleman. I had no idea there were members of the family that were in your district.

Let me point out that this may not be as remote as it may seem. There were or could be other agents whose covers have also been blown as a result of blowing hers. So it is not just one person. We do not know how far this damage may go.

It is my responsibility as a senior member of the Committee on the Judiciary to make sure that a fair investigation takes place, not among people who have worked together and been friends for many years and exchanged the kinds of sums of money and political activity that I have already related, but that there be a fair and independent investigation.

□ 2145

And only through a special counsel could that happen. I thank the gentleman for yielding again.

Mr. HOEFFEL. Mr. Speaker, I certainly agree with the need for an independent investigation by a special counsel. I do not think for a minute that the Justice Department is able to appropriately investigate this leak that allegedly comes from the White House. I do have faith in the career prosecutors at the Justice Department, as I know the gentleman does. But as the gentleman from Michigan (Mr. CONYERS) pointed out a few minutes ago, there is a preexisting political relationship between Mr. Ashcroft, the Attorney General, and Mr. Rove, and for which Mr. Ashcroft paid Mr. Rove some \$700,000, appropriately done, in the course of several political campaigns. But clearly, that relationship alone should disqualify Mr. Ashcroft from being in charge of this investigation of potential leaking.

I would say to the gentleman from Massachusetts (Mr. DELAHUNT), we have started on Iraq Watch with the gentleman from Michigan (Mr. CONYERS) reading this evening a letter to Karl Rove asking him to resign his position, and the gentleman from Michigan was here for a 5-minute speech, and we have dragged him into the Iraq Watch this evening. We are glad that he is here, and he has made a major contribution. I am happy to yield to my good friend and cofounder of the Iraq Watch, the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. Mr. Speaker, I am glad to see the senior member of the Committee on the Judiciary here tonight speaking on an issue that has clearly captured the attention of the